



WHAT IS HIPAA?

The profession of pharmacy, and the operation of a community pharmacy, routinely faces the challenge of complying with new federal and state regulations. The current challenge - one of the most significant in recent years - is to implement and comply with the requirements of the **Health Insurance Portability and Accountability Act (HIPAA)** of 1996 and the full text of the privacy standards as published in Part 164 of Title 45 of the Code of Federal Regulations, and as amended by the U.S. Department of Health and Human Services (HHS) Final Rule published in the Federal Register on August 14, 2002.

HIPAA was enacted by Congress to address the number of uninsured Americans by providing for continuation of health insurance coverage upon changing employment and similar circumstances. However, HIPAA does much more. **Most significant are the standards associated with protecting patient privacy and protected health information (PHI) and standards for electronic health care transactions.** You may learn more about HIPAA by visiting the U.S. Department of Health and Human Services (HHS) web site at <http://www.hhs.gov/ocr/hipaa>.

Since a community pharmacy is recognized as a health care provider, if the pharmacy transmits any health information in electronic form (e.g., electronic submission of prescription information for online adjudication, electronic submission of claims for reimbursement), the pharmacy is required to comply with the privacy and administrative standards.

The privacy standards require a covered entity, including a community pharmacy, to prepare a written **"Notice of Privacy Practices"** and give it to each patient for whom pharmacy services are provided and a "direct treatment relationship" exists. The Notice must be given to patients upon the first provision of products or services beginning on the compliance deadline of April 14, 2003. **Each patient is required to acknowledge receipt of the Notice.**

We have also posted the Notice on our web site for your review. Go to <http://www.jonesrx.com>. We have also posted a Patient Intake Form, which updates your information and provides us with an acknowledgment which must be signed by each patient or the patients' legal representative. You may download and print a copy of both the Notice and the Patient Intake Form. You will find this under Patient Privacy.

Jones Pharmacy and Home Health Care Center would like to thank you for your cooperation, assistance, and acknowledgement in helping us further comply with these new regulations.